

STATEMENT OF CONSIDERATIONS

REQUEST BY GENERAL ELECTRIC COMPANY(GE) FOR AN ADVANCED WAIVER OF DOMESTIC AND FOREIGN INVENTION RIGHTS UNDER COOPERATIVE AGREEMENT NO. DE-FC36-97G010236, W(A)-97-024, CH-0929

The Petitioner, General Electric Company (GE), was awarded this cooperative agreement in response to a proposal for an affordable compact fluorescent lamp (CFL).

The initial phase of this work is being performed under DOE Contract No. DE-FC36-97G010236. GE has requested a waiver of domestic and foreign patent rights for all subject inventions under this agreement.

As brought out in GE's response to questions 2 & 3, the total estimated cost of the project is \$1,117,342 with GE paying 25% and DOE providing the balance.

In response to questions 7 and 8, GE states that it has been involved in the development of compact fluorescent lamps and has invested hundreds of millions of dollars in the design of lamps and ballasts and equipment for their manufacture. In addition to the its 25% contribution, GE is indirectly supporting this work with funds to develop new technology which will reduce the cost of compact fluorescent lamps, improve their quality and/or provide advanced functions. If this program is successful, GE could invest the substantial funds required to modify their existing manufacturing equipment or build new equipment to manufacture these new CFL lamps.


In response to question 9, GE states that seeking patent protection is normal business practice. Without the security provided by a strong patent position, which will be facilitated by granting a patent waiver, the security of the business investments required to commercialize the technology would be severely impeded.

In response to question 10, GE states that the requested waiver will not create an anti-competitive position. GE is one of three large lamp manufacturers in the world, with the other two holding strong technical and competitive positions. In addition, there are numerous competitors developing in the Pacific Rim countries which are already selling products in the U.S.

The Petitioner has agreed to the standard patent waiver provisions including march in rights, U.S. preference, and U.S. government license terms comparable to those provided in 35 U.S.C. § 202-204. Additionally, the Petitioner has agreed to a U.S. Competitiveness provision providing that products embodying any waived invention or produced through the use of waived invention will be manufactured substantially in the United States unless the recipient demonstrates to the satisfaction of DOE that

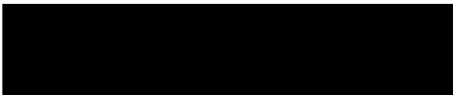
it is not commercially feasible to do so, and that this provision will be binding on transferees. In addition, Petitioner agrees to the usual background patent provisions and third party data licensing provisions.

Considering the foregoing, it is believed that granting a waiver will provide the Petitioner with the necessary incentive to invest its resources in the commercialization of the results of the agreement in a fashion which will make the agreement's benefits available to the public in the shortest practical time. In addition, it would appear that the grant of the above requested waiver would not result in an adverse effect on competition nor result in excessive market concentration. Therefore, in view of the objectives and considerations set forth in 10 CFR § 784, all of which have been considered, it is recommended that the requested waiver, as set forth above, be granted.


Thomas G. Anderson
Assistant Chief Counsel
Office of Intellectual
Property Law

Date:

12/15/97



Joy Alwan
Patent Attorney
Office of Intellectual
Property Law

Date:

15 Dec 97

Based on the foregoing Statement of Considerations and the representations in the attached waiver petition, it is determined that the United States and the general public will best be served by a waiver of rights of the scope described above, and therefore the waiver is granted. This waiver shall not apply to any modification or extension of this agreement, where through such modification or extension, the purpose, scope, or cost of the agreement is substantially altered.

CONCURRENCE:




Lee R. Anderson
Program Director
EE-422-5H048

Date:

1-8-98

APPROVAL:



Paul A. Gottlieb
Assistant General Counsel
for technology Transfer and
Intellectual Property

Date:

1-8-98

WAIVER ACTION - ABSTRACT

W(I)-97-024 (CH-0929)

REQUESTOR

General Electric Company
DE-FC36-97GO10235

CONTRACT SCOPE OF WORK

Development of compact fluorescent lamps

RATIONALE FOR DECISION

25% Cost Share

DISPOSITION